

The inheritance: the prohibition of usury

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For most of the Middle Ages, the Church condemned lending at interest. This condemnation rested on several foundations. The first was philosophical. Aristotle taught that money, as an instrument of exchange, is by nature sterile: it cannot of itself beget more money, and gain derived from a loan is therefore contrary to nature.¹ The second was biblical. The Old Testament forbade the Israelites to lend at interest to their brothers, while permitting it towards foreigners, and the Gospel of Luke called on believers to lend without expecting anything in return.² The third was legal: the councils and the decretals progressively made usury a grave sin and an ecclesiastical offence.

Scholastic doctrine nevertheless softened this prohibition. The theologians accepted that the lender could receive compensation where he suffered a loss as a result of the loan, where he was deprived of a gain he could otherwise have made, where he ran an exceptional risk or where the borrower was late in repaying. These “extrinsic titles” opened considerable breaches.³ To these were added contracts that made it possible to obtain an income without lending in the strict sense: the partnership, in which the provider of funds shared the risks; the constituted annuity, by which a capitalist purchased an annual income secured on a property; and the bill of exchange, whose mechanism was described in Chapter II of Part A. The *monts-de-piété*, created in Italy in the fifteenth century, made low-interest loans against pledges in order to free the poor from usurers.⁴

At the beginning of the sixteenth century, the question divided humanists and reformers. Luther showed himself very hostile to usury and to the great merchant companies, while accepting certain forms of annuity.⁵ Other authors adopted more flexible positions. The 2025 study devoted to Calvin stresses that his texts must be reread in the context of the humanist research that preceded them, and names Budé and Bucer.⁶ The French jurist Charles Dumoulin published, in the mid-1540s, a treatise defending the legitimacy

of a moderate rate of interest.⁷ Calvin belongs to this intellectual movement, with arguments of his own.

Key points. The medieval prohibition of usury rested on a philosophical argument (the sterility of money), on biblical texts and on canon law. It had already been substantially softened by scholastic doctrine and by contractual practice when Calvin addressed the question.

1 Notes

1. Wikipedia (en), art. “Politics (Aristotle)”, Book I: Aristotle “criticizes income based upon trade and upon interest, saying that those who become avaricious do so because they forget that money merely symbolizes wealth without being wealth, and that interest is ‘contrary to nature’ because it increases by itself not through exchange”; Wikipedia (en), art. “Usury”: “money, as a sterile element, cannot naturally reproduce itself. Thus, usury conflicts with natural law”. ↩
2. Wikipedia (en), art. “Usury”: “If thou lend money to any of my people [...] thou shalt not be to him as a creditor; neither shall ye lay upon him interest” (Exodus 22:25 in the English numbering), “Thou shalt not lend upon interest to thy brother” (Deuteronomy 23:20), “lend to them, expecting nothing in return” (Luke 6:35); Leviticus 25:36–37 cited by Luther (luther2017.de, “Gott oder Mammon?”). ↩
3. Wikipedia (en), art. “Usury”: Cardinal Hostiensis lists thirteen situations in which the charging of interest is lawful, including *lucrum cessans* “to compensate him for profit foregone in investing the money himself”; approval of the *montes pietatis* by the Fifth Lateran Council, subject to modest administrative charges. ↩
4. Wikipedia (en), “Mount of piety”: “In 1462, the first recorded Monte di Pietà was founded in Perugia. Between 1462 and 1470, an estimated forty more were developed”; institutions promoted by the Franciscans (Barnabas of Terni, Bernardine of Feltre, Michele Carcano), lending against pledges at low interest, the loan not exceeding two thirds of the value of the object. ↩
5. Luther2017.de, “Gott oder Mammon? Vom ‘Grund aller Wucherkniffe’”: Sermon vom Wucher (1520, short and long versions), An den christlichen Adel deutscher Nation (1520) and Von Kaufshandlung und Wucher (1524); Luther accepts that “buying and selling is a necessary thing, which one cannot do without and which can be used in a good Christian manner”, but denounces the principle of selling at whatever price the market will bear as the “root of all

usurious tricks” and maintains the biblical prohibition of usury (Exodus 22:24; Leviticus 25:36). ↩

6. “Jean Calvin et le prêt à intérêt : de la chaire à la boutique”, *Revue européenne des sciences sociales*, 2025/1, p. 155 et seq., abstract accessed September 2026. ↩
7. Charles Dumoulin (Molinaeus, 1500–1566), *Tractatus commerciorum et usurarum, redituumque pecunia constitutorum et monetarum* (Open Library, openlibrary.org); Wikipedia (en), “Charles Dumoulin”: French jurist who converted to Lutheranism and then to Calvinism, forced into exile. ↩

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